



Memorandum

To: Honorable Mayor Maso and Members of the Frisco City Council

cc: George Purefoy, City Manager
Ron Patterson, Assistant City Manager
Paul Knippel, P.E., Director of Engineering Services

From: John Eaglen, Strategic Services Manager / Assistant to the City Manager

Date: June 15, 2010

Subject: Consider and act upon a Resolution authorizing the City Manager to execute an Advance Funding Agreement for Project using funds held in the State Highway 121 Subaccount by and between the City of Frisco and the Texas Department of Transportation (TxDOT) for the construction of Stonebrook Parkway (Legacy Drive – Longhorn Trail) (TxDOT CSJ# 0918-24-915)

Action Requested: City Council consideration and approval of a Resolution authorizing the City Manager to execute an Advance Funding Agreement for project using funds held in the State Highway 121 Subaccount (the “Advance Funding Agreement”) by and between the City of Frisco and the Texas Department of Transportation (TxDOT), contributing \$14,257,471 towards the construction of Stonebrook Parkway (Legacy Drive – Longhorn Trail) (TxDOT CSJ# 0918-24-915).

Background Information: Upon the selection of the North Texas Tollway Authority (NTTA) to serve as the Concessionaire for the S.H. 121 Project in 2007, the Regional Transportation Council (RTC) (the Transportation Planning Policy Board for the North Central Texas Council of Governments (NCTCOG)) specified that local agencies that contributed to the S.H. 121 project would be eligible for a local contribution credit to be funded by the Regional Toll Revenues generated from S.H. 121. The RTC specified that the local contribution credit would be eligible for programming towards a project or set of projects identified at the local agency’s sole discretion. In August 2008 the RTC approved a local contribution credit for the City of Frisco in the amount of \$14,257,471 for the City’s local contributions to the S.H. 121 project.

Upon the NCTCOG’s notice of the amount of the City’s local contribution credit, the City determined to allocate these funds to the Stonebrook Parkway (Legacy Drive –

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Longhorn Trail) project. As the NCTCOG and TxDOT completed developing the process for allocating these funds to local agencies and the design of Stonebrook Parkway is progressing towards completion, City staff requested to complete the Advance Funding Agreement in November 2009.

The RTC approved the Transportation Improvement Program (TIP) modification to allocate the local contribution credit funds to Stonebrook Parkway at their December 10, 2009 meeting; the Texas Transportation Commission approved Minute Order 112121 at their January 26, 2010 meeting, approving the TIP modification. TxDOT then proceeded to issue the Stonebrook Parkway project a TxDOT CSJ Number and drafted the Advance Funding Agreement. The Advance Funding Agreement was approved by TxDOT Austin on June 7, 2010, allowing the City to proceed with approval and partial execution of the Agreement.

Upon approval and execution by the City, the Advance Funding Agreement will be routed to TxDOT Austin for final execution. Per the terms and conditions of the Advance Funding Agreement, the City will track the funds in a separate account and the corresponding interest earned; additionally the City will have to complete an environmental review process established by the NCTCOG. Upon receipt of the funding the City will be required to submit a monthly report of expenses and interest earned on the funds to the NCTCOG.

Alternatives: City Council could consider the following alternatives:

- Approval of the Resolution;
- Input towards the discussion as desired;
- Deny approval of the Resolution and send back to staff with direction.

Financial Considerations: Upon execution of the Agreement by TxDOT Austin, TxDOT will transfer funds held in the State Highway 121 Subaccount to the City in the amount of \$14,257,471 towards the construction of Stonebrook Parkway (Legacy Drive – Longhorn Trail) (TxDOT CSJ# 0918-24-915).

Legal Review: The Resolution and the Advanced Funding Agreement have been reviewed and approved to form by the City Attorney's Office.

Supporting Documents: Supporting Documents include the following items:

- Copy of Project Location Map.
- Copy of Resolution;
- Copy of Advanced Funding Agreement.

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Staff Recommendation: Staff recommends placement of this item on the June 15, 2010 City Council meeting agenda to consider and approve a Resolution authorizing the City Manager to execute an Advance Funding Agreement for project funds held in the State Highway 121 Subaccount by and between the City of Frisco and the Texas Department of Transportation (TxDOT), contributing \$14,257,471 towards the construction of Stonebrook Parkway (Legacy Drive – Longhorn Trail) (TxDOT CSJ# 0918-24-915). Staff will be present at the meeting to address the City Council's questions relating to this agenda item.